

State of California  
Department of Consumer Affairs

**Board of Vocational Nursing and  
Psychiatric Technicians**

# 2011 Strategic Plan



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## BOARD MEMBERS

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*Board President*

Todd D'Braunstein, PT Member  
*Board Vice President*

Kevin Baucom, PT Member

Ling-Ling Chang, Public Member

Victor King, Public Member

Jessica Leavitt, Public Member

Mark Stanfield, LVN Member

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## EXECUTIVE SUMMARY

The California Board of Vocational Nursing and Psychiatric Technicians was established in 1951 (Vocational Nursing Program) and 1959 (Psychiatric Technician Program) to regulate and enforce the laws related to the practice of licensed vocational nurses (LVNs) and psychiatric technicians (PTs).

Public protection is the Board's highest priority in exercising its licensing, regulatory and disciplinary functions. Whenever protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount (Assembly Bill 269, Chapter 107, Statutes of 2002).

*To ensure that it effectively meets its mandate to protect the public interest, the Board:*

- Annually reviews and revises its Strategic Plan to ensure that the Board's highest priority of public protection is present in all regulatory functions;
- Actively enforces regulations governing the practice of LVNs and PTs, including standards of practice in accordance with established professional standards;
- Develops pertinent statutory or regulatory changes that benefit public protection;
- Ensures that only qualified persons are LVNs and PTs by establishing minimum requirements for licensure and by ensuring psychometrically sound and legally defensible licensure examinations;
- Utilizes creative solutions to mitigate enormous and increasing workload;
- Vigorously ensures that vocational nursing (VN) and PT programs are in compliance with the requirements of Articles 5 of the Vocational Nursing and Psychiatric Technicians Rules and Regulations;
- Energetically engages the attention of consumers, licensees and other interested parties for the purposes of educating them about our numerous publications, public forums, meetings and to establish meaningful partnerships;
- Maintains a dynamic work environment that enhances and supports employee success, which in turn benefits the consumers and facilitates growth and achievement.

## MISSION STATEMENT

The mission of the California Board of Vocational Nursing and Psychiatric Technicians (Board) is to protect the public. Public protection is paramount to the Board and its highest priority in exercising its licensing, regulatory and disciplinary functions. Toward this end, the Board ensures that only qualified persons are licensed vocational nurses and psychiatric technicians by enforcing education requirements, standards of practice and by educating consumers of their rights.

## CORE BELIEFS

The Board believes:

- Consumer protection is its highest priority.
- Discipline of applicants and licensees who endanger the health and safety of the consumer is swift and ensures due process.
- LVNs and PTs are integral members of the health care delivery system and their entry into practice must be without barriers.
- An active leadership role in evaluating trends and shaping the development of educational and professional standards promotes the Board's success in protecting the public and preparing licensees for safe and ethical practice.
- Our licensure examinations are regularly evaluated to ensure their legal defensibility and psychometric soundness for accurate measurement of entry-level competencies.
- Continuous education and outreach to consumers increases awareness of their rights and of the significant roles performed by LVNs and PTs in California's health care.
- Investment in staff development and training provides the skills necessary for successful interaction with our diverse constituency and serves the public interest.
- Dynamic and visionary leadership promotes best practices to improve organizational processes and strives for ongoing partnership with the Department of Consumer Affairs (DCA), other state agencies, the health care community and consumers.

## AGENCY DESCRIPTION

The Senate Interim Committee on Nurse Problems was appointed by the Legislature in 1950 to study the shortage of nurses and problems with nursing education and licensure. As a result of the Committee's study, Senate Bill (SB) 1625 was introduced in 1951. This bill provided for licensure and regulation of LVNs and the appointment of a Board of Vocational Nurse Examiners.

In 1959, the Psychiatric Technicians Law was enacted and provided for a voluntary "certification program" for PTs. Responsibility for the program was placed with the Board of Vocational Nurse Examiners. The PT program was placed under this Board's jurisdiction due to the unique mental health and nursing care functions performed by PTs for the treatment of clients with mental disorders and developmental disabilities.

During the 1968 legislative session, SB 298 established a "licensure program" for PTs beginning January 1, 1970. Current certificate holders and any person performing PT services for at least two years within the previous five years prior to January 1, 1970, were granted licensure. Thereafter, all applicants for a PT license were required to complete an accredited PT program and pass the licensure examination.

In 1971, the name of the Board was changed to the Board of Vocational Nurse and Psychiatric Technician Examiners.

In 1988, emergency legislation required the Board to issue a "restricted VN license" (one time only) to medical technical assistants (MTAs) employed by the Department of Corrections and the Department of the Youth Authority. The holder of a restricted VN license can be employed only by those two agencies. To obtain a non-restricted license, the MTA was required to pass the licensing examination administered by the Board. This is no longer valid as it was for one time only as stated above.

In 1998, the name of the Board was changed to the Board of Vocational Nursing and Psychiatric Technicians.

In 2007, due to a legislative mishap, the Assembly adjourned without taking up SB 797 which contained the statutory language required to extend the sunset date for the Board and three other licensing boards within the Department of Consumer Affairs (DCA). As a result, the Board became a Bureau operating under DCA for six months from July 1, 2008 through December 31, 2008. Two legislative bills were signed into law to re-establish the board (i.e., SB 797 and Assembly Bill 1545) and became effective January 1, 2009.

The Board oversees two distinct licensure programs. Each program has its own statutes and regulations, budget authority, curriculum requirements, examinations, and staff. The Board currently regulates the practice of approximately **115,331 LVNs and 13,332 PTs**, the largest groups of LVNs and PTs in the nation. The Board also accredits and approves **207 VN Programs and 16 PT Programs**.

Board members serve a critical role as policy and decision makers in reinstatement hearings, proposed disciplinary actions, accreditation of new schools, school survey visits, follow up reports on programs, examination development, contracts, budget issues, legislation, and regulatory proposals.

The Board is composed of 11 members: two LVNs; two PTs; one registered nurse educator or LVN educator; and six public members that meet three times each year. At present, there are one (1) LVN board member and three (3) public board member positions vacant.

Six members of the board constitute a quorum for transaction of business at any meeting and to take action on any pending disciplinary actions via mail ballots.

## INTERNAL ASSESSMENT SUMMARY

An internal assessment is one element in the building of a comprehensive Strategic Plan. An internal assessment highlights an organization's operational strengths, identifies opportunities for operational improvement, and serves as an indicator of how well positioned an organization is to carry out the strategic goals it sets. The Board periodically conducts an analysis of the Board's internal operations.

Board leadership is committed to strengthening its internal operations, and believes in the ability of Board staff to share responsibility for operational improvement including office morale and team spirit. To the extent that it is financially feasible, Board leadership will continue to invest in staff's growth and development which ensures their ability to meet the Board's strategic goals.

With this shared commitment to serve our consumers and working collaboratively in 2010, Board leadership and staff are well positioned to carry out the mission and strategic goals set forth in this plan.

## EXTERNAL ASSESSMENT SUMMARY

### STAKEHOLDER SURVEY

On December 7, 2009, the Board e-mailed surveys to all VN and PT programs. The purpose of the survey was to determine what challenges LVNs and PTs may face in education and practice within the next five years as well as to identify possible problems encountered by new graduates of VN and PT programs and their employers. This information is used to improve the education and practice of our students in the future and to serve as a basis for needed regulations.

VN Program Respondents – Responses were received from 45% of the accredited and approved VN Programs. Respondents represented programs based in community colleges, adult schools, and private institutions. Respondents reported the following variables have greatly impacted the focus and content of their programs.

1. Economic decline.
2. Decline in funds for educational programs, scholarships, grants, etc.
3. Increase in size of the applicant pool.

4. Decrease in level of academic preparation of the applicant pool.
5. Monitor the performance of program graduates on the NCLEX/PN®.
6. Increase in numbers of VN and RN programs.
7. Lack of quality instructors.
8. Decline in client census.
9. Loss of clinical sites and closure of some doors to LVNs.

Respondents report that the increasing number of Registered Nursing (RN) and VN Programs has resulted in a loss of available clinical rotations. As a result, programs have sought clinical rotations that are up to 200 miles from the school. For some rotations, respondents report that students are required to stay in hotels for periods of time.

Employers of new graduates report deficits are most frequently identified in the following areas.

1. Professionalism.
2. Critical Thinking.
3. Assessment Skills.
4. Basic Math and Drug Calculations.
5. Documentation.
6. Medical Terminology.
7. Customer Service Skills.
8. Intravenous Therapy and Blood Withdrawal Certification.

PT Program Respondents – Responses were received from 25% of the accredited and approved PT Programs. All respondents represented programs based in community colleges. Respondents reported their programs have been deeply impacted by the current economic condition. Deep budget cuts have forced directors to decrease enrollment. Many students have been forced to drop out of programs due to the lack of funding and wages. Some agencies hiring PTs have temporarily suspended hiring due to declining revenue. Additionally, all programs report that the increasing number of RN and VN programs has resulted in a loss of available clinical rotations.

All respondents reported that the majority of their graduates have found employment. Graduates report the most frequent problem encountered in employment is a lack of familiarization with the culture of the agency and frequent resistance from established workers.

Employers of new graduates report deficits are most frequently identified in the following areas.

1. Professionalism.
2. Critical Thinking.
3. Assessment Skills.
4. Basic Math and Drug Calculations.
5. Documentation.



## **CUSTOMER SERVICE SURVEYS**

In 2009, the Board distributed and mailed out approximately 2,000 Customer Service Surveys (i.e., distributed at Board Meeting and at the Board's Public Counter; and mailed to the Board's General Mailing List, Accredited Schools and to Examination Result recipients). The respondents were asked to rate the Board's services regarding specific performance categories. The rating scale ranged from Very Satisfied, Satisfied, Marginally Satisfied, Dissatisfied and Very Dissatisfied.

Nine percent (9%) or about 256 survey responses were received. A summary of the survey results revealed that 87% of the respondents were either very satisfied or satisfied with the Board's performance; 6% were marginally satisfied with the Board's performance; and 7% were either dissatisfied or very dissatisfied with the Board's performance.

## GOALS & OBJECTIVES

To accomplish its mission, the Board established goals in the following seven areas.

- A. Enforcement** – The Board will protect the consumer from unprofessional, unethical, incompetent and grossly negligent practitioners through timely execution of its disciplinary power and joint action with other state agencies.
- B. Legislation & Regulation** – The Board will evaluate proposed and pending legislation to assess its impact on the Board's mission, sponsor and support legislation that enhances the Board's regulatory mandate to protect the consumer.
- C. Education** – The Board will maintain quality standards of education and ensure that the educational requirements for licensed vocational nurses and psychiatric technicians are consistent with current practice and enhance the health, safety, and welfare of California consumers. Benchmarks will be determined by the requirements of current practice, health care trends, and established professional standards.
- D. Administration** – The Board will continue to effectively execute the Board's mandate of public protection by: creative problem solving; promotion of LVNs and PTs as an integral part of the health care team; ongoing partnerships with DCA, the health care community and consumers; providing excellent customer service to all; creating and maintaining a dynamic work environment; utilizing best practices; and focusing on cost efficiency.
- E. Examinations and Licensing** – The Board will ensure the licensure of safe and competent practitioners by establishing minimum entry-level requirements for licensure and ensuring that licensure examinations are legally defensible, psychometrically sound, and consistent with current practice for LVNs and PTs.
- F. Automation** – The Board will promote automated systems to serve licensees, in-house clients and consumers and collaborate with the DCA Office of Information Services to improve online systems for the application, renewal and enforcement processes.

## **A. ENFORCEMENT**

The Board will protect the consumer from unprofessional, unethical, incompetent and grossly negligent practitioners through timely execution of its disciplinary power and joint action with other state agencies. This will be an ongoing goal of the Board.

### **Objectives:**

1. Investigate complaints in an objective, timely and cost-effective manner.
2. Take disciplinary action as warranted by law and by the timelines prescribed.
3. Collaborate with the Office of the Attorney General, Office of Administrative Hearings, DCA Enforcement and Compliance Division, and DCA Division of Investigation to establish mutual goals for efficiency, effectiveness, and expeditious processing of actions.
4. Utilize innovative disciplinary techniques designed to protect the public from unprofessional, incompetent and negligent practitioners.
5. Ensure disciplinary information is reported to the Healthcare Integrity and Protection Data Bank as required by federal regulations.
6. Expand the Board's Expert Witness Program by recruiting and training additional experts to review enforcement cases, provide quality expert opinions, and testify at administrative hearings.
7. Seek and utilize creative solutions to mitigate our enormous and increasing workload.

## B. LEGISLATION AND REGULATION

The Board will evaluate proposed and pending legislation to assess its impact on the Board's mission, sponsor and support legislation that enhances the Board's regulatory mandate to protect the consumer. This will be an ongoing goal of the Board.

### Objectives:

1. Legislative Proposals – Obtain an author to amend the Business and Professions (B&P) Code for the following:
  - a. Authority to Require Applicant to Retake and Pass the Licensure Examination if a License is Denied and is not Issued within Four Years – Obtain an author to amend B&P Code sections 2872 (VN) and 4510 (PT) regarding the issuance of initial licenses. Specifically, this proposal would require applicants to retake and pass the licensure examination if, after having already passed the examination, an initial license is not issued within four years.
  - b. California Nursing Shortage – Advocate for inclusion of LVNs and PTs in legislative proposals that address methods and means to resolve or reduce the nursing shortage in California.
  - c. Consumer Health Care Enforcement Reform Act – Continue collaboration with the DCA to develop and implement this legislative proposal to improve enforcement processes and thereby reduce the average processing time frames for enforcement actions.
  - d. Denial of Licensure Based on Mental Illness or Chemical Dependency – Obtain an author to add two (2) new sections to the B&P Code regarding the denial of licensure when an applicant is unfit to practice based on mental illness or chemical dependency. Specifically, this proposal would authorize the Board to deny a license application when an applicant's mental illness or chemical dependency affects the applicant's competency to practice. The new sections would also provide the applicant an opportunity to appeal the Board's denial by submitting to a Board approved psychological or physical examination to evaluate his/her competency to practice.
  - e. Mandatory Reporting Requirements – Obtain an author to amend proposes to amend B&P Code sections 2878.1 (VN) and 4521.2 (PT) regarding mandatory reporting requirements for employers of LVNs and PTs. Existing law authorizes the Board to issue an administrative fine against employers of LVNs and PTs who fail to report a suspension or termination for cause of a LVN or PT from their employ. This proposal would require employers to also report a resignation submitted by a LVN or PT in lieu of suspension or termination for cause.
  - f. Permissive Site Visits – Obtain an author to amend the Business and Professions (B&P) Code sections 2883 (VN) and 4532 (PT) to specify that site visits for approval of new VN & PT Programs be "permissive" rather than mandatory by the Board.

- g. Scope of Practice Authority – Obtain an author to amend B&P Code sections 2854 (VN) and 4504 (PT) relative to clearly specify that the Board has sole authority to define vocational nurse and psychiatric technician practice just as the Board of Registered Nursing has sole authority to define registered nurse practice. This proposal will clarify the Board’s authority as the sole source of regulatory information related to LVN and PT education, practice and discipline.
  - h. Statutory Fee Ranges – Obtain an author to amend B&P Code sections 2895 (VN) and 4548 (PT) relative to the statutory fee ranges for an initial license, biennial renewal, delinquent renewal, and examination fees.
2. Regulatory Proposals – Exercise the Board’s authority to adopt, amend or repeal the following regulations:
- a. Applicant Fee Changes – Adopt and implement regulations to increase the application, re-examination fees and dishonored check fees.
  - b. Eligibility for Licensure Requirements – Develop regulations to amend the Board’s Eligibility for Licensure requirements, section 2516 (VN) and 2575 (PT) of the California Code of Regulations. The proposed regulations will define theory content (PT) and hours needed for licensure eligibility via equivalency methods, including the formula (VN and PT) used to convert curriculum hours to paid experience.

## C. EDUCATION

The Board will maintain quality standards of education and ensure that the educational requirements for licensed vocational nurses and psychiatric technicians are consistent with current practice and enhance the health, safety, and welfare of California consumers. Benchmarks will be determined by the requirements of current practice, health care trends, and established professional standards. This will be an ongoing goal of the Board.

### **Objectives:**

1. Interpret VN and PT statutes and regulations for programs, health care practitioners, educators, and consumers.
2. Continue to optimize and expand the use of information technology for data collection relative to the education, practice, and discipline of LVNs and PTs.
3. Implement effective strategies to assist programs in the development, implementation, and maintenance of quality VN and PT programs.
4. Educate program directors relative to their responsibilities as specified in the statutes and regulations as follows:
  - a. Continue to provide New Director Orientation for all new directors of VN and PT programs.
  - b. Present Director Forums annually to update directors, faculty, administrators, and other interested parties of statutory and regulatory changes that impact VN and PT programs and to provide a forum for discussion of critical program issues impacting the education of safe and competent practitioners.
5. Evaluate and refine Education Division processes to identify and eliminate redundancy and improve utilization of available human and physical resources.
6. Conduct stakeholder surveys at least annually.
7. Inform stakeholders of new statutes and regulations impacting VN and PT practice.
8. Inform VN and PT programs of the results of the Board's stakeholder surveys and develop strategies to address identified issues.
9. Conduct outreach activities with educators, legislators, employers, licensees, consumers, and other interested parties relative to the education, practice, and discipline of LVNs and PTs.
10. Continue to work with advisory committees, legislators, professional organizations, and other interested parties to encourage the inclusion of LVNs and PTs in methods and means to resolve or reduce California's nursing shortage.
11. Maximize the use of limited resources when pursuing outreach activities.

## **D. ADMINISTRATION**

The Board will continue to effectively execute the Board's mandate of public protection by: creative problem solving; promotion of LVNs and PTs as an integral part of the health care team; ongoing partnerships with the DCA, the health care community and consumers; providing excellent customer service to all; creating and maintaining a dynamic work environment; utilizing best practices; and focusing on cost efficiency. This will be an ongoing goal of the Board.

### **Objectives:**

1. Actively promote general consumer education/patient rights awareness through brochures, events, outreach, institutions, licensees, web site, and professional associations.
2. Develop a three-year Strategic Plan and submit to Board Members for approval.
3. To identify, develop, and implement the best practices for meeting our goals.
4. Evaluate and follow-up on the Board's performance of its regulatory functions through the use of targeted surveys, and feedback from professional, health care, and consumer organizations.
5. Implement a process to track employee satisfaction of the Administrative Unit's support services through the use of employee surveys and a confidential suggestion/comment box.
6. Continue to work with the DCA Office of Human Resources and the DCA Contracts Unit to develop creative alternatives to filling the vacant NEC positions.
7. Continue to work with the DCA Facilities & Space Planning Office to obtain office space and modular units for additional staff approved now and in the future.
8. Develop cost effective incentives to help increase employee morale.

## **E. EXAMINATIONS AND LICENSING**

The Board will ensure the licensure of safe and competent practitioners by establishing minimum entry-level requirements for licensure and ensuring that licensure examinations are legally defensible, psychometrically sound, and consistent with current practice for LVNs and PTs. This will be an ongoing goal of the Board.

### **Objectives:**

1. Continue collaboration with the National Council of State Boards of Nursing, Inc. to develop, implement, and evaluate the NCLEX/PN®.
2. Continue collaboration with DCAs' Office of Professional Examination Services (OPES) to develop, implement, and evaluate the performance of the PT Licensure Examination.
3. Evaluate the licensing examination process for effectiveness, defensibility, and accessibility.
4. Evaluate the minimum qualifications for licensure to ensure that they remain relevant and consistent with the standard of practice; seek legislative amendments when necessary.
5. Educate VN and PT program directors and students relative to the examination application process.
6. Continue to utilize creative solutions to mitigate increasing workload.



## F. AUTOMATION

The Board will promote automated systems to serve licensees, in-house clients and consumers and collaborate with the DCA Office of Information Services to improve online systems for the application, renewal and enforcement processes. This will be an ongoing goal of the Board.

### Objectives:

1. Continuing Education (CE) – Include CE provider information on the Board's Intranet webpage to alert internal staff of inactive or unauthorized Continuing Education schools.
2. Customer Service – Strive to be on the leading edge of technological advancement to better serve internal and external stakeholders.
3. DCA BreEze Project (formerly iLicensing) – Continue collaboration with the DCA, OIS, to develop and implement BrEZe, to allow applications for licensure and renewal to be submitted via the internet.
4. Electronic Data Management System (EDMS) – Continue collaboration with DCA, OIS, to implement an Electronic Data Management System to facilitate the conversion of paper records to electronic records.
5. Expansion of Online Forms – Continue to develop forms that can be filled out online.
6. Technological Enhancements – Use technology to enhance customer service for external and internal customers (e.g. iLicensing, Ad-Hoc Reporting Tool).
7. Telephone Tree – Continue development and implementation of an automated telephone answering system for internal and external customers that will answer frequently asked questions thereby reducing the number of calls answered by Board staff. Board staff will answer calls for all other types of questions.
8. Webcasting – The Board will begin webcasting at the September 2010 Board meeting and whenever possible afterwards.

# RESOURCE ASSUMPTIONS

These are current and future budget issues that could have a possible effect on the Board's resources.

## **Fiscal Year 2009/10**

15% Reduction in Operating Equipment & Expenses (OE&E) – On June 8, 2009, the Governor issued Executive Order S-09-09 which required all state agencies to disencumber funding for any contract entered into after March 1, 2009. Exemption requests were required to retain any of those contracts. On June 29, 2009, all state agencies were required to develop a plan to reduce their OE&E by 15% for FY 2009/10. On August 3, 2009, the Department of Finance approved the Board's proposed reduction plan.

Furlough Fridays – On July 1, 2009, the Governor issued Executive Order S-09-12 which requires state agencies to close their offices for three Fridays every month through June 30, 2010. This resulted in a 13.85% reduction in pay for applicable state employees.

Nursing Education Consultants (NECs) – Effective February 5, 2010, all of the Board's five NEC positions are vacant. This equates to a 100% reduction in nursing staff. Due to the nursing shortage, nurses are in great demand and are able to obtain a much higher salary at other state agencies and in the private sector. In November 2007, the Board submitted a formal request to DCA to secure a recruitment and retention pay differential for its current and future NECs. Due to the State of California's ongoing budget deficit, all requests for pay differentials were tabled without further consideration. The Board is working with DCA OHR to research using other statewide nurse classifications or contracting out for nursing consultant services.

Office Space – On April 1, 2009, the Board set up temporary work areas at the Capitol Oaks Building, in Suite 250, for the new retroactive fingerprinting staff. The Board continues to work with the staff from DCA's Facilities & Space Planning and the Department of General Services' (DGS) Real Estate Services Division (RESO) to renovate the space and install modular furniture. On January 20, 2010, the Board was advised that DCA is now working with DGS RESO on behalf of the applicable health care boards to lease additional office space for all of the additional staff approved to implement the CPEI effective July 1, 2010.

Regulatory Fee Change – Effective July 1, 2009, the OAL approved a *regulatory* fee increase for the VN & PT Programs. The increase in revenue was needed to implement the retroactive fingerprinting requirements. Accordingly, the Board amended Sections 2537 and 2590 to specify the following three fee increases:

	<b><u>VN Program</u></b>	<b><u>PT Program</u></b>
Initial License Fee	From \$120 to \$150*	From \$200 to \$300*
Biennial Renewal Fee	From \$120 to \$150*	From \$200 to \$300*
Delinquency Fee	From \$60 to \$75*	From \$100 to \$150*

\*Note: Fees set at statutory maximums.

Retired Annuitants (RAs) – On September 9, 2009, the DCA boards/bureaus were required to request an exemption to continue utilization of their respective RA positions. The Board's exemption request to retain its thirteen (13) RA staff members was approved by DCA and the

Department of Finance. RAs can only work 960 hours in a fiscal year. This equates to about 4 months full-time or about 2 days per week if spread out over a one year period.

Retroactive Fingerprinting Budget Change Proposal (BCP) Implemented – Effective July 1, 2009 through June 30, 2013, the Board was given approval to hire 15.5 staff to address the increased workload related to retroactive fingerprinting. The positions were approved in stages over four fiscal years and by FY 2012/13 only 6 permanent staff positions will remain. All other positions are limited term and will expire on June 30, 2012.

### **Budget Year 2010/11**

5% Salary Savings – On January 8, 2010, the Governor issued Executive Order S-01-10 which requires state agencies to take immediate steps to achieve an additional 5% salary savings in FY 2010/11.

Application, Re-Examination & Dishonored Check Fees – On February 18, 2010, the Board approved the regulatory proposal to increase the following fees **effective July 1, 2010**:

	<b><u>VN Program</u></b>	<b><u>PT Program</u></b>
Examination Applications	From \$75 to \$150*	From \$100 to \$150*
Retake Applications	From \$75 to \$150*	From \$100 to \$150*
Dishonored Checks	From \$10 to \$25	From \$10 to \$25

\*Note: Fees set at statutory maximums

The application and re-examination fees have not changed since January 1, 2000. The fees need to be increased to ensure that sufficient funds are available to maintain the fiscal solvency of the Board.

On February 24, 2010, the DCA Budget Office signed off on the Economic & Fiscal Impact Statement (Form 399) that must accompany proposed regulations. On February 26, 2010, the Board's rulemaking file and Form 399 was filed with the DCA. On March 12, 2010, the file was approved by the DCA Director. On March 15, 2010, the file was transmitted to Agency for approval. On April 8, 2010, Agency returned the file without taking any action. Without approval from Agency and the Department of Finance, the Board cannot proceed with its fee regulations as planned. The DCA Director continues to work with Agency on this critical request. The Board does not know if and when this regulatory proposal will be approved by Agency and the Department of Finance.

According to the DCA Budget Office, both the VN and PT Programs face a fund deficit in FY 2011/12 *without* these fee changes. Even with these fee changes, the PT Program may still face a fund deficit in FY 2011/12.

Consumer Protection Enforcement Initiative (CPEI) – Departmental BCP 1A – On January 8, 2010, the Governor's Budget was released and the DCA received tentative approval to hire 138.5 staff to address the enforcement backlogs and improve investigative processing times for various health care boards. The positions are approved in stages over the next two fiscal years. Of the 138.5 positions, the Board received approval for 15.5 positions (i.e., 13.0 VN positions and 2.5 PT positions). The staff positions and funds identified in this BCP must be approved by the Legislature and signed by the Governor for BY 2010/11.

Consumer Protection Enforcement Initiative (CPEI) – Departmental BCP 1B – On January 8, 2010, the Governor's Budget was released and the DCA received tentative approval to redirect existing iLicensing Project funds and received a budget augmentation beginning in FY 2011/12 through FY 2014/15 to support the procurement, solution and implementation of an integrated licensing and enforcement system.

Licensing Division BCP – On January 8, 2010, the Governor's Budget was released and the Board received tentative approval to hire 4.0 staff beginning in FY 2010/11 to address the increased workload in the Licensing Division. The staff positions and funds identified in the BCP must be approved by the Legislature and signed by the Governor for FY 2010/11.

Online Payment of License Renewal Fees via Credit Card – On January 28, 2010, the DCA Budget Office advised that a survey is underway to determine interest in this program. The applicable boards/bureaus would be required to absorb the credit card processing fees (i.e., 2.5% of each transaction) within existing budget resources. This is an interim solution until the CPEI information technology project is completed. The Board is researching the fiscal impact to our budget.

Statutory Fee Range Change Proposal – Five of the Board's primary fee categories are at the statutory maximums allowed by law. As such, a legislative proposal must be submitted to raise the statutory maximums to enable the Board to increase the fees, if needed, to fund the ongoing costs related to the CPEI requirements. The Board proposes to amend Business and Professions (B&P) Code sections 2895 and 4548 relative to the statutory fee ranges for an initial license, biennial renewal, delinquent licenses, applications and re-examinations. .

On February 19, 2010, AB 2484 was introduced to amend the VN and PT Programs' statutory fee ranges. Unfortunately, on April 6, 2010, due to written opposition from two professional nursing organizations, the hearing was canceled at the request of the author. The legislator is no longer willing to author this proposal.

At this point, both programs cannot move forward with any future fee changes until a statutory amendment is approved. The DCA Budget Office projects that both the VN and PT Programs face a fund deficit in FY 2011/12.

The Board continues to seek an author for this legislative proposal.

## FINANCIAL & STAFF POSITION INFORMATION

The Board is a Special Fund agency. It derives all of its operating revenue from its licensees and applicants. No money is received from the General Fund. The following are summaries of the Board's budget information and staffing totals:

### FINANCIAL INFORMATION

	VN Program			PT Program		
	2008/09 Actual	2009/10 Budget	2010/11 Gov. Budget	2008/09 Actual	2009/10 Budget	2010/11 Gov. Budget
Expenditures	\$6,727,313	\$8,702,822	\$12,155,000	\$1,652,674	\$2,192,026	\$2,971,000
Reimbursements	\$198,710	\$352,000	\$352,000	\$36,950	\$22,000	\$22,000
<b>Total Net Expenditures</b>	<b>\$6,528,603</b>	<b>\$8,350,822</b>	<b>\$11,803,000</b>	<b>\$1,615,724</b>	<b>\$2,170,026</b>	<b>\$2,949,000</b>

### STAFF POSITION INFORMATION

	VN Program			PT Program		
	2008/09 Actual	2009/10 Budget	2010/11 Gov. Budget	2008/09 Actual	2009/10 Budget	2010/11 Gov. Budget
Authorized Staff Positions	53.0	53.0	69.3	11.5	11.5	13.4
Note: The authorized includes all permanent and blanket positions, excluding salary savings.						

(5/20/2010)